

111TH CONGRESS
1ST SESSION

H. R. 2348

To amend the Internal Revenue Code of 1986 to encourage investment in electric transmission technologies that improve the efficiency of power delivery.

IN THE HOUSE OF REPRESENTATIVES

MAY 12, 2009

Mr. HOYER introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to encourage investment in electric transmission technologies that improve the efficiency of power delivery.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Financing Advanced
5 and Superconducting Transmission Act of 2009”.

6 **SEC. 2. 5-YEAR DEPRECIATION FOR ADVANCED ELECTRIC**
7 **TRANSMISSION PROPERTY.**

8 (a) IN GENERAL.—Subparagraph (B) of section
9 168(e)(3) of the Internal Revenue Code of 1986 (defining
10 5-year property) is amended by striking “and” at the end

1 of clause (vi), by striking the period at the end of clause
 2 (vii) and inserting “, and”, and by inserting after clause
 3 (vii) the following new clause:

4 “(viii) is qualified advanced electric
 5 transmission property (as described in sec-
 6 tion 48(c)(6)) which is placed in service be-
 7 fore January 1, 2017”.

8 (b) EFFECTIVE DATE.—The amendment made by
 9 subsection (a) shall apply to property placed in service
 10 after the date of the enactment of this Act.

11 **SEC. 3. INVESTMENT TAX CREDIT FOR HIGH EFFICIENCY**
 12 **TRANSMISSION PROPERTY AND ADVANCED**
 13 **ELECTRIC TRANSMISSION PROPERTY.**

14 (a) IN GENERAL.—Subparagraph (A) of section
 15 48(a)(3) of the Internal Revenue Code of 1986 (defining
 16 energy property) is amended by striking “or” at the end
 17 of clause (vi) and by inserting after clause (vii) the fol-
 18 lowing new clauses:

19 “(viii) qualified high efficiency trans-
 20 mission property, or

21 “(ix) qualified advanced electric trans-
 22 mission property,”.

23 (b) 30 PERCENT CREDIT.—Clause (i) of section
 24 48(a)(2)(A) of the Internal Revenue Code of 1986 is

1 amended by striking “and” at the end of subclause (III)
2 and by inserting after subclause (IV) the following:

3 “(V) qualified advanced electric
4 transmission property, and”.

5 (c) DEFINITIONS.—Subsection (c) of section 48 of
6 such Code is amended by adding at the end the following
7 new paragraphs:

8 “(5) QUALIFIED HIGH EFFICIENCY TRANS-
9 MISSION PROPERTY.—

10 “(A) IN GENERAL.—The term ‘qualified
11 high efficiency transmission property’ means
12 any high voltage overhead electric transmission
13 line, related substation, or other integrated fa-
14 cility that—

15 “(i) utilizes advanced conductor core
16 technology that has been determined by
17 the Secretary of Energy as—

18 “(I) reasonably likely to become
19 commercially viable within ten (10)
20 years of the date of enactment of the
21 Financing Advanced and Super-
22 conducting Transmission Act of 2009,

23 “(II) is suitable for use on trans-
24 mission lines up to 765kV, and

1 “(III) exhibits power losses at
2 least 30 percent lower than that of
3 transmission lines using conventional
4 ‘ACSR’ conductors,

5 “(ii) has been determined by an ap-
6 propriate energy regulatory body, upon ap-
7 plication, to be in the public interest and
8 thereby eligible for inclusion in regulated
9 rates, and

10 “(iii) can be located safely and eco-
11 nomically in a right of way not to exceed
12 that used by conventional ‘ACSR’ conduc-
13 tors.

14 “(B) TERMINATION.—The term ‘qualified
15 high efficiency transmission property’ shall not
16 include any property placed in service after De-
17 cember 31, 2016.

18 “(6) QUALIFIED ADVANCED ELECTRIC TRANS-
19 MISSION PROPERTY.—

20 “(A) IN GENERAL.—The term ‘qualified
21 advanced electric transmission property’ means
22 any high voltage electric transmission cable, re-
23 lated substation, converter station, or other in-
24 tegrated facility that—

1 “(i) utilizes advanced ultra low resist-
2 ance superconductive material or other ad-
3 vanced technology that has been deter-
4 mined by the Secretary of Energy as—

5 “(I) reasonably likely to become
6 commercially viable within 10 years
7 after the date of enactment of the Fi-
8 nancing Advanced and Super-
9 conducting Transmission Act of 2009,

10 “(II) capable of reliably transmit-
11 ting at least 5 gigawatts of high-volt-
12 age electric energy for distances
13 greater than 300 miles with energy
14 losses not exceeding 3 percent of the
15 total power transported, and

16 “(III) not creating an electro-
17 magnetic field,

18 “(ii) has been determined by an ap-
19 propriate energy regulatory body, upon ap-
20 plication, to be in the public interest and
21 thereby eligible for inclusion in regulated
22 rates, and

23 “(iii) can be located safely and eco-
24 nomically in a permanent underground
25 right of way not to exceed 25 feet in width.

1 “(B) ENERGY PERCENTAGE.—In the case
2 of any qualified advanced electric transmission
3 property placed in service before January 1,
4 2015, with a length of not less than 150 miles,
5 subsection (a)(2)(A)(i) shall be applied by sub-
6 stituting ‘50 percent’ for ‘30 percent’.

7 “(C) TERMINATION.—The term ‘qualified
8 advanced electric transmission property’ shall
9 not include any property placed in service after
10 December 31, 2016.”.

11 (d) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to periods after the date of the
13 enactment of this Act, in taxable years ending after such
14 date, under rules similar to the rules of section 48(m) of
15 the Internal Revenue Code of 1986 (as in effect on the
16 day before the date of the enactment of the Revenue Rec-
17 onciliation Act of 1990).

○